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October 11, 2012

**VIA ECFS**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554


Re: Nex-Tech Wireless, LLC  
Notice of Oral Ex Parte Communication  
WT Docket No. 12-69

Dear Ms. Dortch:

On October 10, 2012, Johnie Johnson, President & CEO of Nex-Tech Wireless, LLC ("Nex-Tech Wireless"), Gwendolyn Donaldson, Legislative Advisor to Nex-Tech Wireless, and the undersigned met with Melissa Tye, Maria Kirby, and Thuy Tran of the Wireless Telecommunications Bureau, Roger Noel, Thomas Derenge, Keith Harper, Becky Schwartz, and Milton Price of the WTB/Mobility Division, and Peter Trachtenberg and Nicole McGinnis of the WTB/Spectrum & Competition Policy Division. At the meeting, Nex-Tech Wireless discussed the challenges faced by the company in constructing its 700 MHz licenses. Nex-Tech Wireless also urged the FCC to mandate interoperability among the different 700 MHz band classes. A copy of the handout distributed to FCC staff members are attached to this letter.

Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

  
Tony S. Lee

Counsel to Nex-Tech Wireless, LLC

Enclosure

cc: Melissa Tye  
Maria Kirby  
Thuy Tran  
Roger Noel  
Thomas Derenge  
Keith Harper  
Becky Schwartz  
Milton Price  
Peter Trachtenberg  
Nicole McGinnis



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# *Relief Needed from 700MHz Build-Out Deadlines*

October 2012

# COMPANY OVERVIEW

**Technology:**

**3G CDMA EVDO, Operating  
on 1900 MHz Bandwidth**

**Cell Sites:**

**approx. 300**

**Coverage:**

**approx. 40,000 sq. miles**

**Market Type:**

**primarily rural, with  
scattered town centers**

**Operating States:**

**Western KS and Eastern CO**

**Employees:**

**104**

**Sales Locations:**

**48**



© PlanetWare

Kansas

**NEXTECH**  
wireless

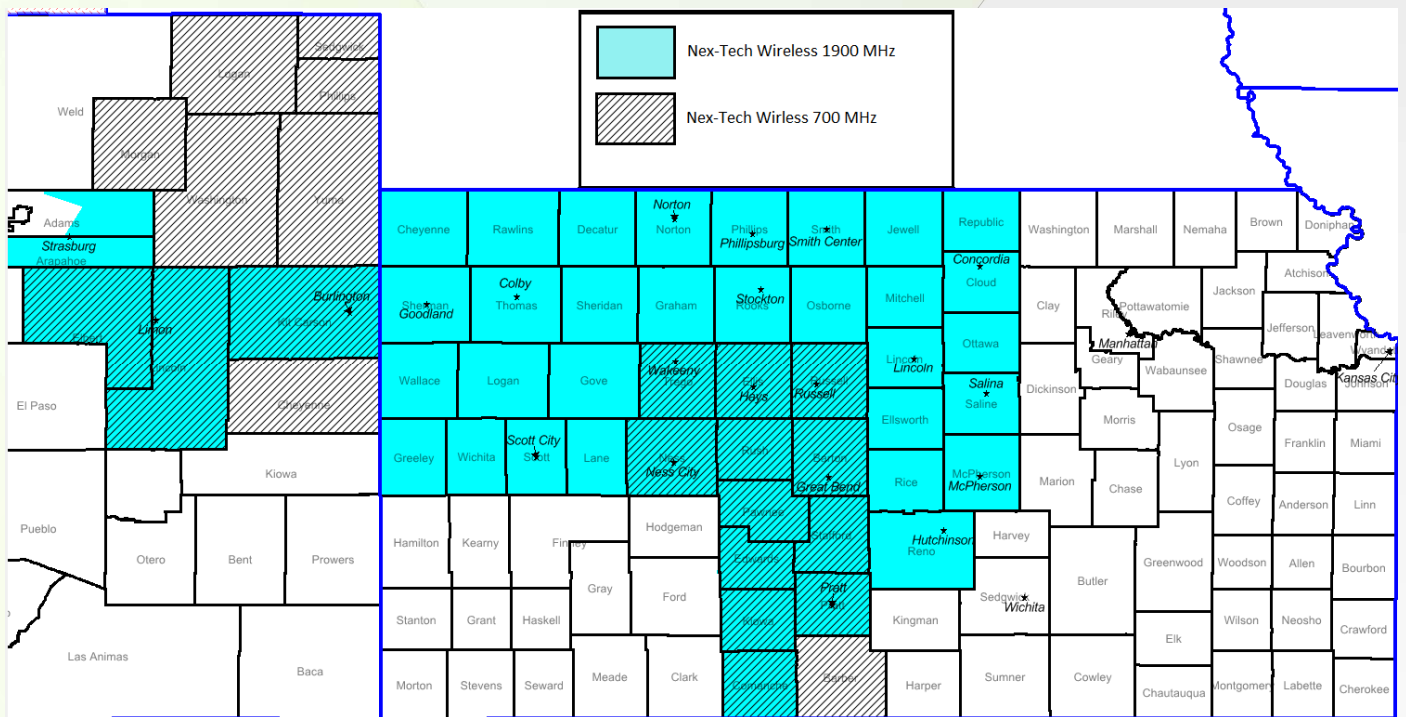
# MISSION STATEMENT

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“**Nex-Tech Wireless** is committed to providing leading-edge **technology**, unsurpassed nationwide voice and data **coverage** and superior **customer care** through highly-trained associates.

We are proud to **invest** in the communities where we live, work and play. Our goal is to **enhance the quality of life** for our families, friends and neighbors, while **maintaining company growth, profitability and longevity.**”

# CURRENT NEX-TECH WIRELESS SPECTRUM



# RATIONALE TO PURCHASE 700MHZ SPECTRUM

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- Spectrum is a scarce commodity.
- Customers are expecting and demanding advanced applications.
- Data Traffic is Exploding.
- The opportunity to acquire additional spectrum appeared.
  - We acted on it before the opportunity was gone.
- Spectrum is critical for the future success and viability to meet and exceed customer expectations.
- Nex-Tech Wireless' goal is to meet and exceed the customer's expectations.

# RECENTLY ACQUIRED 700MHZ SPECTRUM



## PUBLIC NOTICE

Federal Communications Commission  
445 12<sup>th</sup> St., S.W.  
Washington, D.C. 20554

News Media Information 202 / 418-0500  
Internet: <http://www.fcc.gov>  
TTY: 1-888-835-5322

Report Number: 7751

Date of Report: 05/09/2012

### Wireless Telecommunications Bureau

Assignment of License Authorization Applications, Transfer of Control of Licensee Applications,  
*De Facto* Transfer Lease Applications and Spectrum Manager Lease Notifications,  
Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports  
Action

This Public Notice contains a listing of applications that have been acted upon by the Commission.

### Full Assignment

Call Sign or Lead Call Sign: WNYX294

### Radio Service Code(s)

IG

AA 0005039823

Assignor: Cellco Partnership

05/01/2012 M

Assignee: Nex-Tech Wireless, LLC





# 700MHZ BUILD-OUT REQUIREMENTS

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## Build-Out Requirements

- Geographic area build-out requirements (35% within 4 years and 70% within 10 years) for the Lower 700MHz A, B, and E blocks;
- Population based build-out requirements (40% within 4 years and 75% within 10 years) for the Upper 700MHz C block.
- The FCC adopted use it or lose it policies in Auction 73.

**6/13/2013 – First Build-Out Deadline**

**6/13/2019 – Second Build-Out Deadline**



# NEX-TECH WIRELESS 700MHZ LICENSES & APPLICABLE CONSTRUCTION REQUIREMENTS

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- Lower 700 MHz B Block Call Signs:
  - WQJQ755
  - WQJQ757
  - WQJQ762
  - WQJQ766
  
- Applicable Construction Requirements:
  - By June 13, 2013
    - 35% of the licensed geographic area
  - By June 13, 2019
    - 70% of the licensed geographic area<sup>7</sup>

# CHALLENGES TO MEETING GEOGRAPHIC CONSTRUCTION REQUIREMENTS IN RURAL KANSAS

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- Licensed markets are sparsely populated with residents and businesses concentrated around in a few small towns
- Business case is justified only if population centers are first constructed in order to maximize initial return on investment, with coverage in more isolated rural areas following afterwards
- Licenses only acquired in May 2012, and therefore extremely difficult to meet first geographic construction requirements given the rural nature of the market and lack of equipment availability

# NUMEROUS & INSURMOUNTABLE DEPLOYMENT CHALLENGES

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- Network Deployment is a lengthy process
  - RF Design
  - Quotes from Infrastructure Vendors
  - Selection of the Infrastructure Vendor
  - Equipment Procurement
  - Facilities Procurement (concurrent with equipment procurement)
  - Network Build
  - Network Optimization and Testing
  - Commercial Availability
- Total Time Required: Approximately 24 months and assumes equipment is available, which it is not at this time

# MOBILE DEVICES ARE NON-EXISTENT

- Small wireless carriers lack scale to drive accessibility
- Device Manufacturers will not commit
  - Volume Commitments
- Customers Demand Choices for Handsets
- The volume projections will not drive availability for small carriers



# VENDORS WON'T SELL TO SMALL CARRIERS

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- **700MHz B block Handsets are non-existent**
- In 2006, Nex-Tech Wireless joined forces with 36 other rural carriers who formed a buying consortium called Associated Carrier Group to strengthen buying power and offer greater volume to handset vendors.
  - Group has held numerous meetings with handset vendors.
- ACG solicited equipment to no avail.
- **Told small scale too unattractive to vendors**

# BUYING CONSORTIUM MEMBERS

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ACS  
Appalachian Wireless  
Bluegrass Cellular  
C Spire Wireless  
Carolina West Wireless  
Cellcom  
Chat Mobility  
Copper Valley Wireless  
Cox Communications  
Cross Wireless  
Element Mobile  
Etex  
GCI  
Golden State Cellular  
Illinois Valley Cellular  
Inland Cellular  
James Valley Wireless  
Leaco  
Litel

Mid-Rivers Wireless  
Mobi PCS  
MTA  
Nex-Tech Wireless  
Northwest Missouri  
Cellular  
nTelos  
Open Mobile  
Panhandle  
Pioneer Cellular  
Revol Wireless  
SageBrush/ Nemont  
SI Wireless  
Silver Star  
Communications  
SRT Communications  
Strata Networks  
Syringa Wireless  
Thumb Cellular  
United Wireless



# 700MHZ BAND CLASS

3GPP Bands	<div><div><div>Band Class 12 LTE Consortium</div><div>Band Class 17 AT&amp;T</div></div><div><div>Band Class 13 Verizon</div></div></div>																	
Licenses	A	B	C	D	E	A	B	C	Upper C	A	D /Public Safety			Upper C	A	D /Public Safety		
Legacy TV Channels	CH. 52	CH. 53	CH. 54	CH. 55	CH. 56	CH. 57	CH. 58	CH. 59	CH. 60	CH. 61	CH. 62	CH. 63	CH. 64	CH. 65	CH. 66	CH. 67	CH. 68	CH. 69
Starting Frequency at left-most edge of channel	698	704	710	716	722	728	734	740	746	752	758	764	770	776	782	788		806
	Lower 700 MHz Band (TV Channels 52-59)								Upper 700 MHz Band (TV Channels 60 - 69)									

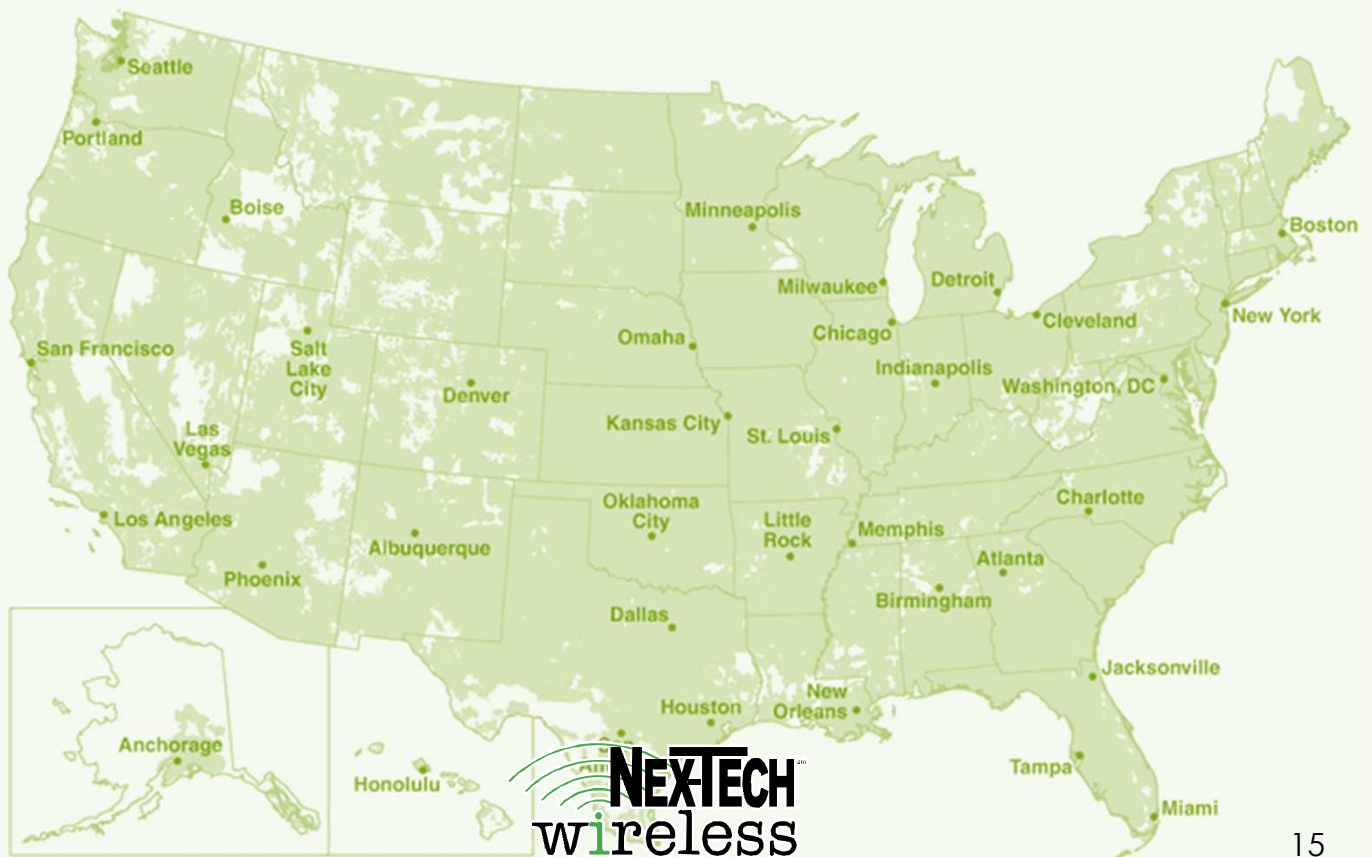
**Lower ABC block auctioned in (3) 6MHZ blocks**



# ADDITIONAL CHALLENGES

## **Lack of Interoperability Degrades Services**

- Unfairly blocks rural consumer access to a National Network
- Customers expect mobile devices to work wherever they travel
- Band Class Issues with national operators prevent ubiquitous connection, threatening public safety response
- A roaming or wholesale agreement is not currently available



# RATIONALE FOR DEADLINE EXTENSION

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- NTW Recently Acquired 700MHz Spectrum
- Rural Nature of the Licensed Area
- Time Involved for Network Deployment
- No Device Availability
- Lack of Interoperability/Roaming

# RECOMMENDATION

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## **PROBLEM:**

- **Lack of equipment blocks ability of NTW to launch services in Western KS and CO**
- **Timeline to gain access to equipment unknown**
  - Industry solution has not emerged despite attempts from small carriers
  - Current handsets lack chip set to operate on 700MHz B block licenses
  - Consumers won't be able to roam on other networks
- **Insufficient time to build network to meet construction requirements in a rural market**
- **Western KS Consumers will have no access to advanced wireless services if relief is not granted**

## **RECOMMENDATION:**

**To meet the demands of consumers and deliver high-speed mobile broadband to rural KS and CO,**

- 1. A build-out extension of at least 24 months is needed;**
- 2. The FCC should require device interoperability in the lower 700MHz band; and**
- 3. Modify the current geographic build-out requirement to a population-based requirement.**